Subject: March 2 Council Meeting, General Public Comment

Date: Saturday, February 27, 2021 8:09:06 AM

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On December 5, 2017 there was a City Council meeting. Brad Raulston advised the Council that ARTS A Reason to Survive had stopped paying rent in October 2015. He summarized the overdue rent as \$ 112,500. However, this number was incomplete. You see, ARTS' rent obligation for that timeframe had two components. One component was to pay the City cash rent at a rate of \$50,000 per year. But a second component required them to do projects for the City at an additional \$ 75,000 per year. Mr. Raulston's number only toted up the unpaid cash rent. At a rate of \$ 75,000 per year, the project rent potentially owing for the last two months of 2015, plus all of 2016, plus all of 2017 represents 26 months times \$ 6,250 per month, for a total potentially exceeding \$ 162,500. I emphasize, this is IN ADDITION TO the \$ 112,500 of cash rent quoted at that Council meeting.

It is long past time for an accounting of the money owed to National City taxpayers by ARTS A Reason to Survive. I call upon the City Manager, the Finance Department and the City Council to tabulate and publicly disclose the complete amounts owed for the timeframe October 2015 through the end of 2017. If ARTS contends it paid some of that balance through doing projects, then ARTS shall present the specific nature of the projects and an unbiased outside appraiser's valuation of the work. It is not acceptable to rely upon ARTS' valuation of its own work, and it is not acceptable to keep this matter swept under the rug any longer. The people of this City are owed hundreds of thousands of dollars by ARTS. I have not wasted time or energy today delving into people's motives. Regardless of why we got to this place, the taxpayers of Nationl City should be irate that hundreds of thousands of dollars owed to them have been ignored by City management.

-Joan Rincon, National City

Subject: Agenda Item 8 - Introduction and first reading of an Ordinance of the City Council of the City of National City adding

National City Municipal Section 9.60 to regulate commercial cannabis.

Date: Tuesday, March 2, 2021 3:56:27 PM

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Dear National City City Council,

My name is Cynara Velazquez, I am the president of the Cannabis Education Project and the Blue Dream Democratic Club (a democratic club dedicated to promoting cannabis access).

I, along with the executive board of the Blue Dream Democratic Club, have created the below list of our concerns with the cannabis proposal for your consideration tonight, as well as suggested revisions to alleviate these concerns.

Additionally, as a primary author of multiple marijuana ordinances in place today, including the regulations in La Mesa, Lemon Grove and Encinitas, I, along with Attorney Jessica McElfresh (who has also co-authored many cannabis regulations), have gone through the proposed ordinance line-by-line and have produced a strike-out version with our proposed revisions and comments, both technical and subjective. These detailed suggestions can be found here: https://docs.google.com/document/d/1vicbWO6GyDPKe9zh8zVNFcLG1r9_khsJ2sK8vyPxYcs/edit?usp=sharing

Below is the summary list of our primary concerns:

National City Summary of Concerns and Recommendations

Produced By: The Blue Dream Democratic Club Executive Board

Overly Restrictive zoning for microbusiness and lounges

The Tourist Commercial district west of the five is a very small zone, and this zoning is potentially limited by sensitive uses. We recommend expanding the zoning to include additional commercial zones, such as commercial service and Commercial Auto.

Development Agreement Process Can Be Problematic

Issue:

- If applications are selected based on the development agreements proposed, the development agreement selection process will encourage highest bidder behavior and this will disadvantage local and other applicants, since the applicants with the greatest access to capital will be able to submit the most generous proposal. This will put local and social equity applicants at a disadvantage.
- Suggest Improvements to Language:
 - A modified lottery, with categories for applicants that the city wishes to encourage, is a far fairer system that can prioritize local and social equity applicants.
- Employee and owner criminal background requirements overly restrictive and anti-equity
 - The ordinance specifies any employee or owner is disqualified for any "crime involving dishonesty, fraud or deceit".
 - This would include eliminating both employees and employers for infractions and misdemeanors, not just felonies, since all categories of offences are considered crimes.
 - The vast majority of crimes involve some form of dishonesty, fraud or deceit. So this would in effect, eliminate anyone who has ever been found guilty of any offense from working in or owning a dispensary.
 - This goes directly against the concept of social equity, since the individuals in communities most affected by the drug war often have drug related convictions.
 - Suggested Improvements:
 - Limit background checks to owners/operators, not employees. Limit disqualifying offenses to serious or violent felonies.

Prohibition of Vaping

- Cannabis lounges and microbusinesses are prohibited from selling any vaping products.
- Issue:

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- There is no logical basis for this prohibition. Vaping provides a number of advantages over smoking and edibles. By inhaling vapors instead of smoke, vaping allows a consumer to experience the rapid relief of cannabis without the carcinogenic ash that smoking produces. It also allows for precise dosing of specific cannabinoids than is possible when smoking plant material. Because the effects are felt quicker than that of ingested cannabis (i.e. edibles), this can be a preferable means of delivery for onsite consumption in cannabis lounging. The documented health issues that have arisen from vaping are due to certain additives, specifically vitamin e acetate, a substance which is already prohibited by state law. The documented cases of injury due to vaping, were in black market products, not legal products, which state law mandates to be tested for illegal additives prior to being brought to market.
- Suggested Changes to Language:
 - Include cannabis vaping products as allowed substances in the ordinance.
- Social Equity Component Missing
 - lssue: There is nothing in this proposal that encourages social equity, gives priority to local applicants, nor attempts to make reparations to people of color and communities harmed by a disproportionate enforcement of marijuana laws. In fact, there are a number of components to this proposal that would discourage social equity, specifically, the development agreements and the strict prohibition on owners and employees with criminal records could discourage social equity.
 - Suggest Changes to Language:

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Include language that gives preference to people of color and communities

harmed by a disproportionate enforcement of marijuana laws.

- Missing Local Hire and Labor Standards
 - Issue: there is nothing in this proposal that would strengthen worker relations nor encourage local hiring.
 - Suggest Changes to Language:
 - Include language allowing for local hire mandates
 - Suggested Language: "A local hire mandate, based on percentage of employees, may be established by resolution by the City Council."
 - Include language mandating labor peace agreements:
 - Suggested Language: "For an Applicant with 10 or more employees, a statement that the Applicant will enter into, or demonstrate that it has already entered into, and abide by the terms of a Labor Peace Agreement."
- Limited operating hours 9a 9pm
 - These operating hours are significantly more limiting than surrounding jurisdictions. In San Diego City and Chula Vista, Cannabis Outlets may operate between the hours of 8am and 10pm. This will put National City retail locations at a competitive disadvantage. We would recommend, at a minimum, allowing cannabis businesses to operate at 8am, instead of 9am.
- Remove clauses stating that City Manager and Police Chief are able to add additional regulations on their own, without council oversight.
 - Oversight is needed because such additional regulations could be made onerous enough to make it functionally impossible to operate in National City.

Subject: FW: Agenda Item 8 - Commercial Cannabis

Date: Tuesday, March 2, 2021 4:01:15 PM

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Dear Mayor, Members of the City Council of National City, and Staff,

My name is Jessica McElfresh and I have practiced cannabis law in San Diego County since 2010. I represented some of the very first licensed cannabis retailers in this County. Today I represent cannabis businesses throughout California from cultivation through retail. I have co-authored three successful local voter initiatives to regulate cannabis businesses in La Mesa, Lemon Grove, and Encinitas.

I have reviewed your draft ordinance and had the opportunity to speak to local residents and businesses about the proposal. I appreciate your city has already spent considerable time and effort in trying to bring legal cannabis businesses to National City. I implore you to give this process more time and effort for two reasons:

- 1. Your constituents want and deserve an ordinance that will work for National City. That means an ordinance that will promote local ownership and employment, provide opportunities for communities and residents of National City that have been disproportionately affected by the war on drugs, and discuss appropriate labor standards.
- 2. The proposal before you is guaranteed to fall short of those goals.

I appreciate that the City directed staff and private consultants to propose development agreements, but please consider alternative licensing models such as a modified lottery. Development agreements too often degenerate into bidding wars, making it challenging for local businesses and social equity applicants to compete with well-funded, existing companies. More disturbingly, your ordinance does not allow for even employment of people convicted at any time in their lives of minor offenses including simple possession of controlled substances and petty theft.

As for the zoning, please consider allowing retail and consumption to be in commercial zones, rather than industrial zones. Many cities that have put these uses in industrial zones have come to regret it. These zones are ill suited to provide customers with adequate parking or access by transit or by foot.

Please consider taking some more time to get this right for your city.

Thank you,

Jessica C. McElfresh Attorney-at-Law McElfresh Law, Inc. jessica@mcelfreshlaw.com

www.mcelfreshlaw.com/

Office: 858-756-7107

Cell:

Fax: 858-724-1802 (recently updated)

Appointments:

531 Encinitas Boulevard, Suite 111 Encinitas, CA 92024

Mailing:

P.O. Box 230363 Encinitas, CA 92023

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Subject: March 2 Council Meeting, Item 8, Cannabis Date: Saturday, February 27, 2021 8:26:55 AM

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To anyone on the City Council, I say this:

In your heart you know that marijuana dispensaries are a horrible idea in National City.

In your heart you know that encouraging anyone else to ingest marijuana is irresponsible and harmful.

In your heart you know that it is a complete contradiction to say that having dispensaries here makes things more convenient for residents who use pot, but doesn't therefore lead to increased use.

In your brain you know that the broke guy who really wants dope but can't afford it just scrapes up some money, buys marijuana at a dispensary, and turns around and sells half of it to the nearest available children at a profit so he can feed his own habit.

In your heart you know that when you publicly say that you don't think marijuana use is a big deal, you are well aware of several family members and close friends whose lives are being wrecked as we speak by substance abuse.

In your heart you know that saying the streets will be safer if this happens is a complete, bald-faced lie.

In your memory you know that each and every one of you has been approached and offerred money to grease the wheels of this going through. In some places they call that bribery, but here we call it offerring to donate.

In your brain you know that the push for this is largely coming from the same old tired pile of people who regularly come before this Council to push a new scheme that is bad for the residents but puts money in their pockets, some of them being former City employees.

If you vote against this, you will never regret it. In your heart you know that if you sell out your children and grandchildren by voting for this, five years from now you will most assuredly regret it, but it will be too late.

-Joan Rincon, National City

Subject: Public Comments on Tonight"s Cannabis Ordinance Reading

 Date:
 Tuesday, March 2, 2021 3:43:12 PM

 Attachments:
 Mac Logo 2021-02-22 at 4.35.27 PM copy.png

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Dear City Clerk,

Please accept these written comments (below) to distribute to the elected officials tonight. Thank you.

National City City Council Meeting

Written Comments concerning Cannabis Ordinance First Reading

Respectfully submitted 3/2/2021

Thank you Honorable Mayor, Honorable Vice Mayor, and Honorable Councilmembers for the opportunity and audience to comment.

I know many of you through my work on the Board of the South County EDC, as a National City Chamber member and with 86 Foundation, our non-profit supplying hand sanitizer free to South Bay food banks, Meals on Wheels and Chief Tellez's HOT Team during a very, very tough year.

My company has been in legal cannabis retail in Oregon since 2015. So we have years of experience. I'm a South Bay local, mom to 4, and Abuelita to five. My husband got through cancer with cannabis (instead of opioids) just two years ago. It was a Godsend to him and to many other patients suffering, including our veterans with PTSD. UCSD, the Mayor's alma mater has a Cannabis Research Institute now funded over \$10 million by the state.

Here is factual data. Cannabis is legal and deemed essential by 37 states, and now supports over 321 thousand full time jobs. In California there are now more full time Cannabis workers than bank tellers and over 20,000 new California cannabis jobs were created during the pandemic alone.

So here lies National City's opportunity to build jobs and revenue. San Diego County does not have nearly what the retail market demand needs which is exactly what fuels illegal dangerous cannabis operators. Here is more data from the National Cannabis Industry Association:

Oregon has 16.5 retail dispensaries for every 100,000 persons

Oklahoma 15.6

Montana 15.1

Colorado 14.1

San Diego County has less than 1 per 100,000. And half haven't even broken ground because of zoning that is unnecessarily restrictive. Using this data, San Diego County could easily support 570. There are barely 40 as of today. So the economic opportunity is REAL for National City to expand the number of retail outlets, bring jobs and economic activity HERE at a time when National City's unemployment has hovered between 20% in May of 2020 to 11.5% in December 2020- one of the highest in the county.

I strongly suggest the following three changes to your ordinance, which we know was written before the economic devastation of Covid-19.

First, **expand** the zoning areas for cannabis retail storefronts. The CT and Industrial areas west of I-5 – **the current zoning plan** – **is 100% car dependent**, and poses extreme dangers for lounge customers and customers with Railroad crossings, constant large tractor-trailer traffic on Bay Marina Drive and **no** sidewalks nor safe bicycle crossing. **Please expand the zoning to include the 24th Street Transit Oriented Development Overlay**. This will *jump start the investment* in the smart growth corridor development, and fulfill the vision for the 24th street trolley hub. It will also be so much safer for citizens and tourists. The TODO is key to the city and transit in the future. To keep it totally west of I-5 will only create a windfall of cash for a few lucky absentee landowners (instead of the city) because there is hardly any location opportunity there- too few parcels that can work and are available. I'm not sure you want lounges adjacent to Pepper Park either. Avoid the mistakes San Diego, Imperial Beach and Chula Vista made. Position for success. **Expand the zoning and you'll expand the opportunity.**

Secondly, please greatly expand the number of retail outlets you plan on permitting. Six was the pre-pandemic number with up to 3 lounges. You could allow twelve to twenty and they would all thrive. You could add several delivery only businesses for entry level social equity players. The market is already here. The data is clear. You can position the city for cannabis jobs, city revenues, and smart growth in transit corridors and commercial zones if you choose to. Social equity opportunities are greater when the overall opportunities are greater for inclusion of women owned and minority owned cannabis businesses of which San Diego County has next to none. Zero woman-owned or black-owned cannabis businesses are located in the county.

And lastly, please change any references to "minors" to insist that any patient under 21 patients have a California State Issued Medical Cannabis card for admission to authorized cannabis retail outlets - which is harder to get and requires actual doctor's visits, unlike Doctors "notes" which are available to anyone *online for twenty bucks*. Youth prevention is key. Make the hurdle high enough to keep teens safer and use only for true medical need.

Madam Mayor has proclaimed National City "open for business". We are ready to get to work. I applaud the forward looking leadership of this council and ask that you please seize this economic and job-creating opportunity. Vice Mayor Rios has a copy of my other redlined suggestions for the ordinance or I can forward to you at your request to me at laura@afcproducts.com for review.

Thank you for the privilege of your time on this important matter.

Kindest regards,

Laura Wilkinson Sinton Caligrown™ AFC Products 619-363-1840

Chair, Content Committee National Cannabis Industry Association



"Are we being good ancestors?" - Dr. Jonas Salk

PUBLIC COMMENTS CITY COUNCIL MARCH 2, 2021 MEETING

Dear City Council members and Mayor,

The National City, City Council will be hearing the first reading of the Ordinance on Cannabis today

It is thoughtfully written but I would like to see a month's delay and more discussions with community members and the National City Chamber of Commerce as this is very important legislation.

Regulation of Cannabis should be done quickly as it is an important future source of income for the City. Also it must be regulated carefully. Many cities like Chula Vista have complicated it and after 4 years have nothing to show.

I would like to see priority for local businesses going into Cannabis especially those run by our minorities who would hire locals to good jobs with training.

Because of covid-19 and the need to distance the state is permitting drive thru and car pickup spaces like Mankind on Miramar Road.

Many businesses carry CBD and cannabis blended products but your ordinance **Section 9.60.290** does not allow this:"**a** distributor shall not distribute non-cannabis goods or noncannabis accessories."

Section 9.60.080. Maximum Number and Type of Authorized Commercial Cannabis Businesses Permitted. allows City Council to reassess the number of businesses permits. Also allow reassessing:

- 1. Future permits approved in Retail and Mixed Use Zones.
- 2. Set back adjustments; a City Block is 250 linear feet that would mean no new cannabis businesses in every 2.5 blocks which will leave may strip malls out of luck as business sites for Entrepreneurs
- 3. Negotiation of the 5% Community Benefit Fee in the Development Agreement to attract large distributors

We are a small city and if cannabis proves to be safe and successful Council should be able to make changes periodically or annually.

Thanks		
Nancy Estolano		
National City CA		

Cc: <u>Clerk</u>

Subject: Public Comment on agenda item 8 - cannabis regulation

Date: Tuesday, March 2, 2021 11:33:37 AM

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Good Evening Mayor and members of the city council,

I am writing this letter in support of passing the proposed cannabis regulation ordinance that is put be for you tonight. We all know the health benefits cannabis has on individuals, but economically speaking, the city has a lot to gain.

There is no question that the current pandemic has hurt the city's finances and people's livelihoods. Before the pandemic, National City was considered one of the poorest cities in the county. Cannabis can generate millions of dollars for the city and help with its financial road to recovery.

With this ordinance, I encourage National City to also focus on local hires. We need to make sure most of the jobs and most of the benefits stay in National City.

The cannabis industry is a legalized statewide industry and I encourage National City to explore incorporating more than permitted dispensaries and include cannabis lounges as well.

Thank You,

Robert Moreno

From:

To:

Clerk; Luz Molina

Subject: Please read this I cannot make the zoom Date: Tuesday, March 2, 2021 4:03:34 PM

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Public comment for item #08 from Mr. Ted Godshalk

Council,

I have read the ordinance, as well as the pros and cons of the issue from outside, independent sources. It is my hope that you have, as well.

With that said, I encourage the council to publicly ask "Why is the City considering the introduction of Marijuana retail and lounges into our city?"

If that answer is reduced to the fact that legal Marijuana sales will bring in more tax revenue and steal it away from Chula Vista and San Diego, then you must admit that you will ignore the social and health impacts from your decision.

I will not argue about the use of cannabis. We all know someone who uses Marijuana or CBD for medical treatment. Other witnesses will testify tonight about the impacts on traffic safety, crime and increased police calls, and to the health of our youth population in National City.

I am filled with anxiety over this proposal. I have a real lack of trust in the Ordinance and in the City Manager to have procedures to fully protect the residents of National City.

I do not trust that you have all the information you need.

I do not trust an application and permit process in the hands of the City Manager. He has been evasive on matters of public participation and recently on the budget savings from management consolidation.

I do not trust that NC will not make the same mistakes it has made with alcohol sales over saturation. Remember the Mile of Bars?

I don't trust that the future will be better, that there will be improved criminal justice policies, social equity, better paying jobs, more tourism, or more city services on the streets.

I want to trust that the Council will come up other tax streams and keep cannabis retail and lounges out of our community.

A guiding principal for you tonight, ask yourself: If you were running for the NC School District Board, would you publicly endorse this proposal?

Ted Godshalk

Subject: March 2 Council Meeting, Item 9, Kimball Park Grant Proposal

Date: Sunday, February 28, 2021 2:32:21 PM

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I fully support playground refurbishings, ballfield enhancements, basketball court improvements, lighting upgrades and other aspects of this proposal that are truly about public recreation. Changes are also needed in walking-path orientation and restrooms, and I don't see those listed here. Audrey and Megan did a nice job with the recent outreach.

However, there is no need to spend another \$ 3.2 million of taxpayer money to remodel yet another building.

How many million dollars are you going to spend claiming that you are going to build a community hub filled with enriching and recreational activities (CHFWEARA)?

What you ought to do is get our Old Library Building back from the organization that calls itself ARTS. ARTS stopped paying rent from October 2015 through the end of 2017, and has only made a farce of paying rent since then. When Brad Raulston proposed the most recent agreement for that space to the City Council at the meeting of Dec 5, 2017, he insisted that if the Council went along, not only would ARTS pay rent of \$125,000 per year in projects and programs, but also the space would become -- say it with me now -- a community hub filled with enriching and recreational activities (CHFWEARA). Don't take my word on this; do what I did and watch the video of that meeting.

Did you know that the Agreement for ARTS' use of that building contains a public access clause requiring it to be open Monday through Friday during business hours? But long before the COVID, that builing was closed off and used solely for the organization.

And speaking of ARTS, (which weirdly refused to answer my question multiple times during Summer 2020 when I asked who its officers were), they just had to file another Corporation statement on 12-30-20, so it is now on record that your buddy the former City employee remains CEO, and that you are essentially providing your buddy free use of an entire building for her group.

Yes, this CAN be brought to the State's attention if they consider this grant.

As I understand it from attending many, many City meetings, the challenge for doing rec pograms has not been lack of space but rather lack of participation.

So let's look at the record. In 1992, you built MLK on the basis that it would be a CHFWEARA. In 2005, the City opened a palacial new 55,000 square foot library that promised to be more than books, it would be a CHFWEARA. A few years later you said the renovated Morgan Square would be a CHFWEARA. In December 2017 you promised that if ARTS were allowed to stay, the building would become a CHFWEARA. In fact, that was also the excuse why the City pays the first \$ 20,000 in electricity bills for that space year after year!

In fall 2020, you took \$ 500,000 of CDBG funds related to the COVID and earmarked it to remodel MLK on the justification that maybe it will NOW become a CHFWEARA.

In addition to all these spaces in Kimball Park, you also have a Senior Center, plus a Boys and Girls Club that operates in a City building though we rarely seem to co-ordinate with them. And, effective February 2021, the group TranscenDance just left its space near MLK and moved to Lemon Grove.

Because the proposed building is not needed, neither is the almost \$ 1 million deck-walk for getting to and fro. So we save \$ 4.2 million.

There are times when something becomes chrystal clear despite the best efforts of people to avoid transparency.

This City needs to focus on the proper utilization of the many spaces it already controls and use them FOR THE BENEFIT OF THE PUBLIC, rather than building new spaces so it can declare them "surplus" and give them away to organizations run by friends.

-Joan Rincon, National City